

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

MARGARET C. RICHARDSON
TRUSTEE OF THE SURVIVORS TRUST
DATED 6/12/84 FOR THE BENEFIT OF
THE H&M RICHARDSON
REVOCABLE TRUST, derivatively on
behalf of Avanos Medical, Inc.,

Plaintiff,

v.

ROBERT E. ABERNATHY, STEVEN E.
VOSKUIL, GARY D. BLACKFORD,
JOHN P. BYRNES, RONALD W.
DOLLENS, HEIDI K. FIELDS,
WILLIAM A. HAWKINS, PATRICK J.
O'LEARY, MARIA SAINZ and JULIE
SHIMER,

Defendants,

and

AVANOS MEDICAL, INC.,

Nominal Defendant.

Civil Action No. 16-CV-6296 (LTS)

**STIPULATION OF VOLUNTARY DISMISSAL WITH
PREJUDICE AND ORDER**

WHEREAS, on August 9, 2016, plaintiff Margaret C. Richardson Trustee of the Survivors Trust Dated 6/12/84 for the benefit of the H&M Richardson Revocable Trust ("Plaintiff") filed a stockholder derivative action on behalf of Avanos Medical, Inc. ("Avanos" or the "Company") (the "Derivative Action");¹

¹ Nominal defendant was originally Halyard Health, Inc., which filed a Notice of Name Change on July 3, 2018, and the case caption was modified July 10, 2018.

WHEREAS, the Derivative Action is substantially related to a stockholder securities class action pending in the United States District Court for the Southern District of New York captioned: *Jackson v. Avanos Medical, Inc., et al.*, Case No. 1:16-cv-05093-LTS-RLE (the “Related Securities Action”);

WHEREAS, on October 4, 2016, the parties stipulated to and this Court issued an order staying the Derivative Action pending the earlier of: (i) any of the defendants in the Related Securities Action filing an answer to the operative complaint; or (ii) the Related Securities Action is dismissed with prejudice;

WHEREAS, on March 30, 2018, a Judgment was entered in the Related Securities Action granting the defendants’ motion to dismiss the corrected amended class action complaint in its entirety;

WHEREAS, on April 27, 2018, the plaintiff in the Related Securities Action filed a Motion for Relief from the Judgment and for Leave to Amend (the “Post-Judgment Motion”);

WHEREAS, on April 1, 2019, the Court denied the Post-Judgment Motion;

WHEREAS, on May 1, 2019, lead plaintiff in the Related Securities Action filed a notice of appeal with the United States Court of Appeals for the Second Circuit;

WHEREAS, on May 27, 2020, the Second Circuit affirmed the District Court’s denial of the Post-Judgment Motion;

WHEREAS, the Derivative Action has made certain similar allegations, asserted certain similar claims, and involved some of the same parties as the Related Securities Action;

WHEREAS, Defendants have neither answered the complaint in the Derivative Action nor moved for summary judgment;

WHEREAS, in light of the dismissal of the Related Securities Action and pursuant to Rules 23.1(c) and 41(a) of the Federal Rules of Civil Procedure, Plaintiff now wishes to voluntarily dismiss the Derivative Action with prejudice;

WHEREAS, the parties agree that each side shall bear its own costs and fees; and

WHEREAS, the parties respectfully submit that notice of this dismissal to Avanos stockholders pursuant to Federal Rule of Civil Procedure 23.1(c) is not required here because: (i) there has been no settlement or compromise of the Derivative Action; (ii) there has been no collusion among the parties; and (iii) neither Plaintiff nor Plaintiff's counsel have received or will receive directly or indirectly any consideration from Defendants for the dismissal.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by the parties through their undersigned counsel, pursuant to Rules 23.1(c) and 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure, and subject to Court approval, that:

1. This Derivative Action is dismissed in its entirety with prejudice;
2. For the reasons stated above, no notice of this dismissal is required; and
3. The parties are to bear their own costs, fees, and expenses.

IT IS SO STIPULATED.

This 14th day of July, 2020.

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Counsel for Plaintiff

SO ORDERED this 14th day of July, 2020.

/s/ Laura Taylor Swain

United States District Judge